

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 11, 2007

Mr. Walt Biehl Manager, Energy Power Cogeneration US Borax, Inc. 14486 Borax Road Boron, CA 93516 SENT TO COMPLIANCE REGISTRY
Hardcopy__Electronically____
of Copies____/ Date____/25/07

CPF No. 5-2007-0001W

Dear Mr. Biehl:

From September 18 to 19, 2006, a representative of the Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite inspection of your pipeline facilities and records in Boron, California.

As a result of the inspection, it appears that you have committed probable violation as noted below of pipeline safety regulations, Title 49, CFR, Part 192. The item inspected and the probable violation is:

1. § 192.709 Transmission Lines: Recordkeeping.

Each operator shall maintain the following records for transmission lines for the period specified:

(c) A record of each patrol, survey, inspection, and test required by subpart L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

US Borax specified procedures for inspecting and testing of pressure limiting and regulating stations in their procedural manual, but failed to maintain records for the two (2) pressure regulators which regulated incoming pressure from Mojave Pipeline into the plant. However, Mojave Pipeline conducted the actual testing as a service to US Borax, but US Borax just didn't have a copy of the records.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Be advised that failure to do so will result in US Borax being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to CPF 5-2007-0001W.

Sincerely,

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Director, Western Region

Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry

PHP-500 (P. Nguyen # 116776)